

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2475

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

6 **SECTION 1.** Section 43-13-407, Mississippi Code of 1972, is
7 amended as follows:

8 **[Until June 30, 2007, this section shall read as follows:]**

9 43-13-407. (1) In accordance with the purposes of this
10 article, there is established in the State Treasury the Health
11 Care Expendable Fund, into which shall be transferred from the
12 Health Care Trust Fund the following sums:

13 (a) In fiscal year 2005, Four Hundred Fifty-six Million
14 Dollars (\$456,000,000.00);

15 (b) In fiscal year 2006, One Hundred Eighty-six Million
16 Dollars (\$186,000,000.00);

17 (c) In fiscal year 2007, One Hundred Forty-six Million
18 Dollars (\$146,000,000.00);

19 (d) In fiscal year 2008, One Hundred Six Million
20 Dollars (\$106,000,000.00);

21 (e) In fiscal year 2009, Sixty-six Million Dollars
22 (\$66,000,000.00);

23 (f) In fiscal year 2010 and each fiscal year
24 thereafter, a sum equal to the average annual amount of the

25 dividends, interest and other income, including increases in value
26 of the principal, earned on the funds in the Health Care Trust
27 Fund during the preceding four (4) fiscal years.

28 (2) In any fiscal year in which interest, dividends and
29 other income from the investment of the funds in the Health Care
30 Trust Fund are not sufficient to fund the full amount of the
31 annual transfer into the Health Care Expendable Fund as required
32 in subsection (1)(f) of this section, the State Treasurer shall
33 transfer from tobacco settlement installment payments an amount
34 that is sufficient to fully fund the amount of the annual
35 transfer.

36 (3) * * * On March 6, 2002, the State Treasurer shall
37 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
38 from the Health Care Trust Fund into the Health Care Expendable
39 Fund. In addition, at the time the State of Mississippi receives
40 the tobacco settlement installment payments for each of the
41 calendar years 2002 and 2003, the State Treasurer shall deposit
42 the full amount of each of those installment payments into the
43 Health Care Expendable Fund.

44 * * *

45 (4) The total sum of Two Hundred Forty Million Dollars
46 (\$240,000,000.00) plus interest at the rate of five percent (5%)
47 per annum shall be transferred into the Health Care Trust Fund
48 from the State General Fund during fiscal years 2007 through 2013
49 to repay the trust fund for Two Hundred Forty Million Dollars
50 (\$240,000,000.00) of the total sum that is transferred from the
51 trust fund to the Health Care Expendable Fund during fiscal year
52 2005 under subsection (1)(a) of this section. The repayment shall
53 be made according to the following schedule: During each of
54 fiscal years 2007 through 2012, the State Fiscal Officer shall
55 transfer from the General Fund to the Health Care Trust Fund the
56 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during

57 fiscal year 2013 the State Fiscal Officer shall transfer from the
58 State General Fund to the Health Care Trust Fund a sum in the
59 amount certified by the State Treasurer as necessary to fully
60 repay the balance of the Two Hundred Forty Million Dollars
61 (\$240,000,000.00) plus interest at the rate of five percent (5%)
62 per annum.

63 (5) All income from the investment of the funds in the
64 Health Care Expendable Fund shall be credited to the account of
65 the Health Care Expendable Fund. Any funds in the Health Care
66 Expendable Fund at the end of a fiscal year shall not lapse into
67 the State General Fund.

68 (6) The funds in the Health Care Expendable Fund shall be
69 available for expenditure under specific appropriation by the
70 Legislature beginning in fiscal year 2000, and shall be expended
71 exclusively for health care purposes.

72 (7) The provisions of subsection (1) of this section may not
73 be changed in any manner except upon amendment to that subsection
74 by a bill enacted by the Legislature with a vote of not less than
75 three-fifths (3/5) of the members of each house present and
76 voting.

77 (8) Subsections (1), (2), (5) and (6) of this section shall
78 stand repealed on July 1, 2011.

79 **[From and after July 1, 2007, this section shall read as**
80 **follows:]**

81 43-13-407. (1) In accordance with the purposes of this
82 article, there is established in the State Treasury the Health
83 Care Expendable Fund, into which shall be transferred from the
84 Health Care Trust Fund the following sums:

85 (a) In fiscal year 2005, Four Hundred Fifty-six Million
86 Dollars (\$456,000,000.00);

87 (b) In fiscal year 2006, One Hundred Eighty-six Million
88 Dollars (\$186,000,000.00);

89 (c) In fiscal year 2007, One Hundred Forty-six Million
90 Dollars (\$146,000,000.00);

91 (d) In fiscal year 2008, One Hundred Six Million
92 Dollars (\$106,000,000.00);

93 (e) In fiscal year 2009, Sixty-six Million Dollars
94 (\$66,000,000.00);

95 (f) In fiscal year 2010 and each fiscal year
96 thereafter, a sum equal to the average annual amount of the
97 dividends, interest and other income, including increases in value
98 of the principal, earned on the funds in the Health Care Trust
99 Fund during the preceding four (4) fiscal years.

100 (2) In any fiscal year in which interest, dividends and
101 other income from the investment of the funds in the Health Care
102 Trust Fund are not sufficient to fund the full amount of the
103 annual transfer into the Health Care Expendable Fund as required
104 in subsection (1)(f) of this section, the State Treasurer shall
105 transfer from tobacco settlement installment payments an amount
106 that is sufficient to fully fund the amount of the annual
107 transfer.

108 (3) (a) On March 6, 2002, the State Treasurer shall
109 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
110 from the Health Care Trust Fund into the Health Care Expendable
111 Fund. In addition, at the time the State of Mississippi receives
112 the tobacco settlement installment payments for each of the
113 calendar years 2002 and 2003, the State Treasurer shall deposit
114 the full amount of each of those installment payments into the
115 Health Care Expendable Fund.

116 (b) If during any fiscal year after March 6, 2002, the
117 general fund revenues received by the state exceed the general
118 fund revenues received during the previous fiscal year by more
119 than five percent (5%), the Legislature shall repay to the Health
120 Care Trust Fund one-third (1/3) of the amount of the general fund

121 revenues that exceed the five percent (5%) growth in general fund
122 revenues. The repayment required by this paragraph shall continue
123 in each fiscal year in which there is more than five percent (5%)
124 growth in general fund revenues, until the full amount of the
125 funds that were transferred and deposited into the Health Care
126 Expendable Fund under the provisions of paragraph (a) of this
127 subsection have been repaid to the Health Care Trust Fund.

128 (4) The total sum of Two Hundred Forty Million Dollars
129 (\$240,000,000.00) plus interest at the rate of five percent (5%)
130 per annum shall be transferred into the Health Care Trust Fund
131 from the State General Fund during fiscal years 2007 through 2013
132 to repay the trust fund for Two Hundred Forty Million Dollars
133 (\$240,000,000.00) of the total sum that is transferred from the
134 trust fund to the Health Care Expendable Fund during fiscal year
135 2005 under subsection (1)(a) of this section. The repayment shall
136 be made according to the following schedule: During each of
137 fiscal years 2007 through 2012, the State Fiscal Officer shall
138 transfer from the General Fund to the Health Care Trust Fund the
139 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during
140 fiscal year 2013 the State Fiscal Officer shall transfer from the
141 State General Fund to the Health Care Trust Fund a sum in the
142 amount certified by the State Treasurer as necessary to fully
143 repay the balance of the Two Hundred Forty Million Dollars
144 (\$240,000,000.00) plus interest at the rate of five percent (5%)
145 per annum.

146 (5) All income from the investment of the funds in the
147 Health Care Expendable Fund shall be credited to the account of
148 the Health Care Expendable Fund. Any funds in the Health Care
149 Expendable Fund at the end of a fiscal year shall not lapse into
150 the State General Fund.

151 (6) The funds in the Health Care Expendable Fund shall be
152 available for expenditure under specific appropriation by the

153 Legislature beginning in fiscal year 2000, and shall be expended
154 exclusively for health care purposes.

155 (7) The provisions of subsection (1) of this section may not
156 be changed in any manner except upon amendment to that subsection
157 by a bill enacted by the Legislature with a vote of not less than
158 three-fifths (3/5) of the members of each house present and
159 voting.

160 (8) Subsections (1), (2), (5) and (6) of this section shall
161 stand repealed on July 1, 2011.

162 **SECTION 2.** This act shall take effect and be in force from
163 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 0AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972, TO
2 DELETE CERTAIN PAY-BACK PROVISIONS IN THE TOBACCO SETTLEMENT
3 HEALTH CARE TRUST FUND ACT FOR ONE YEAR; TO EXTEND THE DATE OF THE
4 REPEALER ON THAT SECTION; AND FOR RELATED PURPOSES.